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This Paper Consists of Two Sections—SECTION ONE.
CIRCULATION.
600,000
Over 500,000 Sunday.
350,000
Over 300,000 Daily.

The Chicago Daily Tribune

THE WORLD'S GREATEST NEWSPAPER

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* * PRICE ONE

PEACE OFFER MET COL

WILSON READY TO SEEK VIEWS ON ARMISTICE

If the Allies Seem at All
Willing He Will Propose
Truce Formally.

BY ARTHUR SEARS HENNING.
Washington, D. C., Dec. 12.—(Special.)—President Wilson is considering the propriety and advisability of asking the European belligerents to declare an armistice for the discussion of peace overtures made by Germany today.

If such a truce should be effected the president would undertake to induce the belligerents to meet in a peace conference designed to terminate the great war.

Mr. Wilson believes that if there were a truce for the consideration of peace terms hostilities would never be resumed.

The president has received official assurance from Germany and her allies that they would agree to an armistice at once and would enter into the discussion of peace terms without reservation.

PLANS TO SOUND ALLIES.

Unless the character of the German note proposing a peace parley, which was sent to the United States today for transmission to England, should put a different face on the matter, the president will sound the entente allies on their disposition to agree to an armistice.

HOLLWEG ASKS FOR PARLEY TO END WA

GERMANY'S PEACE TERMS

WASHINGTON, D. C., Dec. 12.—(Special.)—The peace terms which Germany is prepared to offer to the entente allies are not incorporated in the formal offer which she has asked the United States, Spain and Switzerland to transmit to her enemies.

Germany, however, has informally sent to Washington for publication in the United States an outline of the basis on which she is disposed to terminate the war. The peace terms thus informally presented by Germany provide:

For the complete restoration of Belgium.
For the evacuation by Germany of all territory captured in northern France during the progress of the war.
For the establishment of Poland and Lithuania as independent kingdoms.

For the retention of Serbia by Austria-Hungary, and the restoration to Bulgaria of all territory lost by that country in the second Balkan war.

For the restoration to Austria of territory captured by Italy in the neighborhood of the Adriatic sea.

For the restoration to Germany of all her colonial possessions in Africa, the far east, and other parts of the globe.

For the retention of Constantinople by Turkey.

Another Version of Offer.

Based upon information from their home governments, the entente diplomats believe Germany's terms are in general about as follows:

Restoration of Belgium, but with conditions which would practically leave it under German control and probably give over the port of Antwerp to Germany.

Restoration of the occupied portions of northern France, but with economic control, which would guarantee to Germany supplies of iron and other raw materials drawn from there.

Domination of Mesopotamia by Germany and Austria, to give them a path to the Persian gulf and break England's gateway to India and Egypt.

The award to Bulgaria all of Serbia as far south as Nish, which would take from Serbia as much territory as she gained in the Balkan wars.

They expect Germany will demand the return of her African colonies, or at least propose to exchange them for the French colonies.

Turkey's interests are considered a minor affair and not fully developed in consideration of peace.

BERLIN BLAMES FOE IF STRIFE IS CONTINUED

Chancellor Holds Victory
Has Been Won and Kill-
ing Should Stop.

BERLIN, Dec. 12.—Germany today made its first direct offer to the entente powers to end the war. The offer was announced during the most momentous session of the reichstag held since the declaration of war. The proposal was listened to by an audience that taxed the capacity of the chamber.

To Chancellor von Bethmann-Hollweg was delegated the duty of proposing peace to the entente powers. The chancellor's speech was listened to by thronged galleries. The royal box was crowded. All the ambassadors and ministers of foreign governments were in the diplomatic box.

BIG CROWD ON HAND.

The reichstag building was surrounded by a great crowd and the adjoining streets were thronged. The people were intensely interested and greeted the chancellor as he entered the building.

In the reichstag chamber the chancellor began his speech in a clear, loud voice. His first utterances were greet-

THE STAR IN THE EAST

(Copyright, 1916, by John T. McCutcheon.)



if the allies should give the slightest indication of a willingness to consider the German peace proposition. Mr. Wilson will propose the terms and indicate the conditions of the terms on which the belligerents will lay down their arms. He might propose the ultimatum even if the allies should affect to turn a deaf ear to the German offer.

NOTE NAMES NO TERMS.
Officials here thought that an outline of the peace terms proposed by Germany would be found in the note from Berlin asking the United States to present the German offer to the allies, but when early this evening the note reached the state department it was decided, it was found to be only an offer to enter into a discussion of peace. No terms, general or specific, were mentioned.

Secretary of State Lansing read the note and submitted it to the president, who he stated that it would be debated at once to Ambassador Page in London for presentation to the British government. Likewise the note will be forwarded to the capitals of other entente powers at which Germany is represented by the United States.

TEXT TO BE WITHHELD.
Mr. Lansing said the text of the note would not be made public by the United States because it is a confidential message from Germany to the United States and the United States is merely acting as the messenger boy. The German peace offer was almost the sole topic of discussion at the dinner to the cabinet given by President and Mrs. Wilson tonight. The president and his advisers realize that they are now face to face with the question of taking some step to promote a peace party and that the occasion will permit of no delay. The president is under obligation to transmit the peace offer to the allies promptly. He and his associates are considering tonight chiefly the propriety of accompanying the German note with a message from the president of the United States expressing the hope that the allies will embrace the opportunity thus presented of ending the war in the interest of humanity.

DELICATE SITUATION.
The situation is one of great delicacy, however, for the allies might be offended by a semblance of indecision of the German move by the United States. For this reason the president may decide to transmit the German offer without comment and reserve any plan or proposal of a truce for a separate communication, formal or informal. The circulation of the tentative German offer is being kept very close.

(Continued on page 6, column 3.)

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TEXT OF THE PEACE OFFER



BERLIN, Dec. 12.—Following is the text of the peace note addressed by Germany and her allies to the hostile governments:

"The most terrific war ever experienced in history has been raging for the last two years and a half over a large part of the world—a catastrophe which thousands of years of common civilization was unable to prevent, and which injures the most precious achievements of humanity.

"Our aims are not to shatter nor annihilate our adversaries. In spite of our consciousness of our military and economic strength and our readiness to continue the war (which has been forced upon us) until the bitter end, if necessary; at the same time prompted by the desire to avoid further bloodshed and make an end to the atrocities of war, the four allied powers propose to enter forthwith into peace negotiations.

"The propositions which they bring forward for such negotiations and which have for their object a guarantee of the existence, of the honor and liberty of evolution for their nations are, according to their firm belief, an appropriate basis for the establishment of a lasting peace.

"The four allied powers have been obliged to take up arms to defend justice and the liberty of national evolution. The glorious deeds of our armies have in no way altered their purpose. We always maintained the firm belief that our own rights and justified claims in no way control the rights of these nations.

"The spiritual and material progress which were the pride of Europe at the beginning of the twentieth century are threatened with ruin. Germany and her allies, Austria-Hungary, Bulgaria, and Turkey, gave proof of their unconquerable strength in this struggle. They gained gigantic advantages over adversaries superior in number and war material. Our lines stand unshaken against ever repeated attempts made by armies.

"The last attack in the Balkans has been rapidly and victoriously overcome. The most recent events have demonstrated that further continuance of the war will not result in breaking the resistance of our forces, and the whole situation with regard to our troops justifies our expectation of further successes.

"If in spite of this offer of peace and reconciliation the struggle should go on, the four allied powers are resolved to continue to a victorious end, but they disclaim responsibility for this before humanity and history.

"The imperial government, through the good offices of your excellency, ask the government of (here is inserted the name of the neutral power addressed in each instance) to bring this communication to the knowledge of the government of (here are inserted the names of the belligerents).

(The terms on which Germany will make peace do not appear in the text of the note issued from Berlin.)

ed with applause on all sides, and at frequent points in his speech the assembly assented in demonstrative fashion.

Later, however, when he touched upon the question of policy, differences of opinion made themselves felt, the applause coming mainly from the Catholic center and the left. At the conclusion of his address a majority of the house applauded and the galleries joined in the handclapping.

PEACE UP TO ENTENTE.

Almost at the beginning of his speech Chancellor von Bethmann-Hollweg announced to the reichstag that the empire, together with its allies, "conscious of their responsibility before God, before their own nations, before humanity," had proposed to the hostile powers to enter negotiations looking to the end of the war.

"If our enemies decline to end the war," he said, "if they wish to take upon themselves the world's heaviest burden of all these horrors which hereafter will follow, then, even in the least and smallest home, every German heart will burn in sacred wrath against our enemies who are unwilling to stop human slaughter that their plans of conquest and annihilation may continue.

"God will be the judge. We can proceed upon our way."

SPEECH OF CHANCELLOR.

Chancellor von Bethmann-Hollweg's speech is reported by the Overseas News agency as follows:

"The reichstag had not been adjourned for a long period, but fortunately it was left to the discretion of the president as to the day of the next meeting. This decision was caused by the hope that soon happy events in the field would be recorded, a hope fulfilled quicker almost than expected. I shall be brief, for actions speak for themselves.

"The chancellor said Roumania had entered the war in order to roll up the German positions in the east and those of Germany's allies. At the same time the grand offensive on the Somme had as its object to pierce the German western front, and the renewed Italian attacks were intended to paralyze Austria-Hungary.

NATION GAINED SECURITY.

"The situation was serious," the chancellor continued, "but with God's help our troops shaped conditions so as to give us security which not only is complete but still more so than ever before.

"The western front stands. Not only does it stand but, in spite of the Roumanian campaign, it is flanked with larger reserves of men and material than it had been formerly. The

(Continued on page 6, column 2.)



AVERS BERLIN RECENTLY OFFERED PEACE TO BELGIUM

London Telegraph Sponsor for Story That Refusal Meant Its Existence as Nation Was Threatened.

LONDON, Dec. 12.—The Daily Telegraph today prints prominently the following:

"We have received information from an unimpeachable source that the central powers recently offered peace to Belgium on the following terms: 'The Belgians are invited to insist upon immediate peace. In return for this their country will be restored to them, its independence guaranteed, and financial assistance given for its economic rehabilitation.'

"In the event of these terms being refused the intimation has been given Belgium that her very existence—her monuments, her public buildings, and even her towns—is threatened."

COLD WAVE NEARS CHICAGO.

Weather Bureau Predicts Temperature Close to Zero by Tomorrow.

A drop in temperature almost to the zero mark is predicted for tomorrow by the weather forecaster. Today will be clear and cold, except for occasional snow flurries. A cold wave which has caused below zero weather in Montana, Minnesota, and the British northwest is expected to reach here today.

FALLS DEAD AS HE DINES.

Ole Hansen, 70, Retired Wisconsin Lumberman, Succumbs to Heart Disease at Breakfast.

San Claire, Wis., Dec. 12.—Ole Hansen, 70, retired lumberman, today fell dead of heart failure while eating breakfast.

ONLY 10 MORE DAYS LEFT TO SHOP

Read the Ads

Hands pointing to the text.

ENGLISHMEN DERIDE OFFER; "WE MUST WIN"

LONDON, Dec. 12, 2 a. m.—Some of the quoted comments of public men on Germany's peace proposals are:

Sir Arthur Conan Doyle—"We want to know more about the terms proposed before we even begin to argue. Without terms the imperial chancellor's suggestion is preposterous, ridiculous. We, too, are conscious of victory, and his boasting offer will be taken more as a sneer to be laughed at."

Sir Gilbert Parker—"This is clearly a political maneuver designed to impress the world as a dramatic stroke, but having little serious purpose to ward securing an enduring peace. One of the chief essentials of any peace would be such a curbing of German militarism that a resumption of the present conflict would be impossible. Without such a guarantee England and France would be compelled as a matter of self-defense to retain vast armies and thus continue the enormous war burdens of the present."

Marquess of Londonderry—"We have got to win this war. There is no question whatever of us winning it. We must stick it out to absolute victory. Peace at the present time would be nothing short of disastrous to the nation and the empire."

Sir William Dunn (lord mayor of London)—"Conscious of the victory," says the German chancellor. Rather, I say, conscious of their ultimate defeat. They are making a victory of necessity. There will be no peace signed by this country nor by our allies unless it is a peace acceptable to all the entente powers. We shall take no notice of any peace offers until there is something tangible and concrete."

Dr. Burroughs (King's college)—"In my view it is quite impossible to make any terms which allow the position that Germany is victorious. If peace is dictated to us on the basis of a supposed German victory it cannot be won and we can accept."

EUROPEAN WAR SUMMA

Germany offers terms of peace to allies. Declares if the allies refuse the onus of future war will rest on heads of foes.

Gen. Nivelle, Verdun hero, commander in chief of 1st army of north and northeast. Premier Briand rescues cabinet.

President Wilson ready to ally on armistice; formal peace will follow if they indicate a peace.

Rain and snow fail to halt many in Roumania. Berlin says any losses have reached 41 and that remnant of army is in

MUNICIPAL JUDGES MUST NOW PUNCH TIME CL

Chief Justice Olson Installs a New System on Work Done Cases Pile Up.

Instead of a highly powdered high powered wig distinguish in court these days. The judge is punching the clock. Blackstone, but times have chan

Chief Justice Harry Olson has issued a report card on which the chief justices of the Municipal must keep tab of the hours they work on the job. Electioneering, golfing, gadding must in future be done judges' own time, or salaries and pensions will be docked. Twice a year Justice Olson's system, the premo bench "must check in within number of hours spent at the fountain.

The innovation results directly the unfavorable record shown in court in the last year. Nearly 500 cases were cleared from the docket in the year closing last, in 1914. It is said the slowing sulted from the activity of judicial politics.

Last year 203,000 cases were disposed of. This year 200,000 cases were cleared of 150,000. Moreover, the courts are one and years behind on the jury calendar.

LONDON PAPERS: A UNIT AGAINST PEACE WITH FOE

Bitterly Oppose Acceptance of Germany's Offer to End War on Own Terms.

LONDON, Dec. 12, 2 a. m.—The London papers bitterly oppose accepting Germany's offer of peace. The Daily Mail says:

"The nation has wound up the old year in the nick of time. It must have been a source of no little annoyance to Chancellor von Bethmann-Hollweg yesterday, when he once more predicted in the reichstag the imminent old peace trick, which by this time is becoming as luckless as coloring rabbits out of a hat, that Lord Haldane and the committee were no longer in office in Great Britain to argue seriously with him and he folded into inactivity by his meaningless speech.

Not Entitled to Reply.
"Bethmann-Hollweg is no more entitled to the courtesy of a reply than if he were an armed burglar in a private house. His offer never would have been made if he were in his heart as confident of victory as he professes to be.

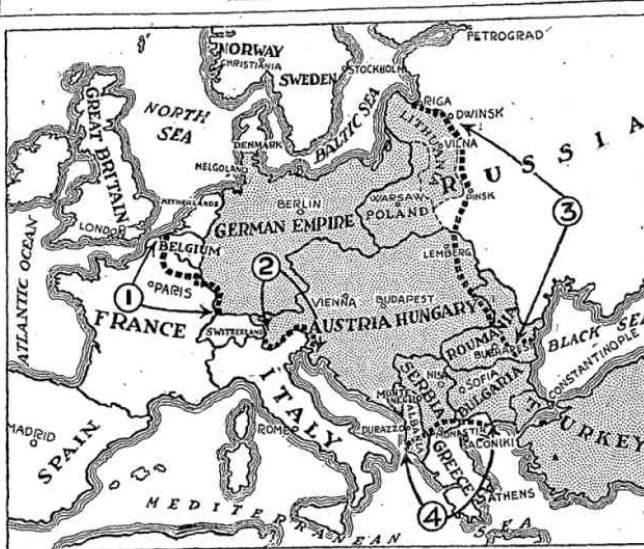
The entente allies know that no peace with a nation of thieves and murderers and statesmen who regard all treaties as scraps of paper would be worth paper and ink."

Must Reject Proposal.
The Times says: "Of course the entente must absolutely reject any idea of mediation in any shape or form any quarter and refuse with equal firmness even to talk of an armistice until the enemy is completely ejected from the lands overrun by him. We should redouble our efforts to force the terms laid down in Asquith's Guild hall speech upon Germany and her accomplices."

Cannot Accept Terms.
The Daily News says: "There is undoubtedly a strong and widespread

HOW TEUTON PEACE TERMS REMAKE EUROPE

Would Extend Germany's Sway Through Continent Into Turkey and Across Mesopotamia to the Indian Ocean.



The peace terms as indicated by the German ambassador at Washington show that Germany's dream of empire must be realized as a basis for permanent peace. The shaded portion of the map gives approximately the extent of the combined area of the central powers of Berlin will demand it be placed at any peace conference to be called. The construction of two independent states as buffers against Russia on the east is to be demanded, and the Dnieper river, south to Galicia. Poland will include probably the provinces west of the Bug and Nieman rivers. The proposed kingdom of Lithuania would comprise Courland, Kovno, Vilna, and Grodno, the southern boundary being below Pinsk and Brest Litovsk. Probably the portions of Volhynia occupied by the Poles would be offered back to Russia as a recompense for the withdrawal of the civil forces from eastern Galicia and Bukovina.

FORCED TO FIGHT—URGES PI

Austria-Hungary Says It Was Compelled to Drag to Safeguard Itself Against Hostile Neighbors It Cannot Be Crushed by Foes.

LONDON, Dec. 12.—An official Austrian statement, referring to the peace offer, says:

"When in the summer of 1914 the patience of Austria-Hungary was exhausted by a series of systematically continued provocations and menaces and the monarchy, after almost fifty years of unbroken peace, found itself compelled to draw the sword, this weighty decision was animated neither by aggressive purposes nor by designs of conquest but solely by the bitter necessity of self-defense, to defend its existence and safeguard itself for the future against similar treacherous plots of hostile neighboring powers."

"That was the task and aim of the monarchy in the present war. In combination with its allies, well tried in loyal comradeship in arms, the Austro-Hungarian army and fleet, fighting, bleeding, but also availing and conquering, gained such successes that they frustrated the intentions of the enemy."

"The quadruple alliance not only has won an immense series of victories but also holds in its power extensive hostile territories. Unbroken is its strength, as our latest treacherous enemy has just experienced."

"Can our enemies hope to conquer or shatter this alliance of powers? They will never succeed in breaking it by blockade and starvation measures. Their war aims, to the attainment of which they have come no nearer in the third year of the war, will in the future be proved to have been completely unattainable. Useless and un-

cutation of the fight part of the enemy.

"The powers of the quadruple alliance, on hand, have effective their aims—namely, against attacks, on the one and integrity, planned in concert and the achievement guarantees—and it never allow itself deprived of the basic existence, which they cured by advantages."

"The continuous murderous war, in enemy can destroy cannot—as the quadruple alliance is firmly convinced, is ever more see aimless destruction of lives and property, an humanity justified by a crime against civilization."

"This conviction also has begun to be in the enemy camp the idea to ripen in full the governments of (Teutonic) powers—a candid and loyal eye come to a discussion enemies for the purpose of a war of peace."

"The governments of Austria-Hungary, Germany, and Bulgaria, dressed today identify the diplomatic representation in the capitals come are intrusted with the mission of enemy nations pressing an inclination in peace negotiations, questioning them to trans overtone to enemy state."

AN IRON 31.7, who knows what American came, remarked to the tonight: "Germany is like a poker player who at 2 o'clock in the morning, with several mountains of chips before him, finds his back turning and announces that he must quit before the dealer has ordered him to avoid late hours."

Liberals Back Premier.
If the Kaiser thought the ministerial crisis were provided a chance of involving the liberal radical party in a peace initiative he has utterly miscalculated the situation, and when Lloyd George replies to the German offer he will have the utmost support from the late ministers and their followers.

It is held certain the entente powers will not consent to stop the war until they have fulfilled their pledges to the small nationalities, which have been the direct sufferers from German militarism and to desert whom would cover the entente with infamy. This is the risk of expressed opinion. England is quite prepared to accept full responsibility for perseverance in the war rather than consider what she regards as an ill-gotten and dishonorable peace.

NATIONAL RETAIL GROCERS ASK WILSON TO INTERVENE.

Special Session Asks President to Bring About Conference of Belligerents.

A special session of the National Association of Retail Grocers was held in the Hotel Sherman yesterday to discuss the peace proposals of Germany. Sol W. Wolf, secretary of the association, introduced the following resolutions, which were adopted unanimously:

"Appreciating the gravity of the deplorable conflict in Europe would make an embargo on food unnecessary, and that peace would mean the restoration of normal conditions and normal prices;

"And being convinced that the interests of the American people, now oppressed by the high cost of food, will be subserved to nearly as great an extent as the interests of the unfortunate Europeans by such peace;

"An, believing that a time is at hand when neutral nations may effectively offer their good offices in an effort to bring about peace;

"We hereby petition the Hon. Woodrow Wilson, president of the greatest of neutral nations, to take immediate steps to bring about a conference of the belligerents with a view of effecting peace."

The resolution was passed along with another denouncing trading stamps as one of the contributing factors to the high cost of living.

HEAVY TRADE WITH FRANCE PREDICTED AFTER THE WAR.

Speakers at Commerce Association Dinner See Good Opportunities with European Republic.

Conditions of trade with France after the war afforded the theme for several speakers at the dinner of the foreign trade division of the Chicago Association of Commerce at the Congress hotel last night.

The conclusion most of the speakers drew was that conditions would be good. "It will be easy," said W. W. Nichols, who was at the head of a trade investigating commission sent on a tour of France by the government, "to build up reciprocal trade relations with France as soon as the war is over. The French people have many things which we want to import, and, on the other hand, they have many needs which we can fill with our manufactured articles and our raw materials."

Mr. Nichols told how the French people are even now rehabilitating many of their industries. Francis P. Simons, also recently returned from France, told of some of the commercial opportunities he had noted. Antonin Bartholome, the new French consul to Chicago, asked to state the attitude of the French toward Americans, said: "The people of France think well of the people of America."

Only Grain on Dutch Ships.
THE HAGUE, Dec. 12.—(Special.)—The Hague government has been given by the Holland government that all cargo ships in grain ships from the United States hereafter must be exclusively reserved for grain.

Desire for peace in Germany and a powerful and growing suspicion of the government. That suspicion Chancellor von Bethmann-Hollweg hopes to allay by putting the allies in a position of refusing all overtures and consolidating the country on the conviction that Germany is being reduced to wage a sheer defensive war. He calculates no doubt that rejection of his offer would give him the sanction of his people, and what he needs equally, the indorsement of a neutral world to a policy of unmitigated ferocity.

"The allies cannot enter into peace negotiations on the basis of what Bethmann-Hollweg offers them, but they must put their case before the enemy and before the world. They must state terms on which they are prepared to negotiate and throw on Germany the responsibility of rejecting or accepting that basis of negotiations."

Attempt to Placate Neutrals.

"The present offer of peace from Germany is an attempt to placate neutrals by a show of humanity and magnanimity and at the same time to persuade the hungry Germans that the Kaiser and his ministers are forced to accept their will. It will not succeed. Will Germany restore Belgium and pay full compensation for wrongs she has committed? Will she evacuate French provinces she has invaded? Will she restore Serbia and march her legions out of Roumania? Will she offer substantial guarantees against future German behavior? Will she make good the losses to our mercantile marine? If she will, then peace can be signed before Christmas. If not, the war must go on to bitter end."

Proposal for Armistice.
The Morning Post says: "The first and ruling consideration which arises in respect of the announcement made by the German chancellor is that it is not a proposal for peace, but a proposal for an armistice."

"To grant an armistice would be to abandon the hope of ever gaining power to force Germany to submission. It would be to acknowledge that the claims of the central powers to be victorious is justified, and to consent to the triumph of internationalism. By mercy of Providence this country has been given leaders just in time who will answer the central powers as they should be answered."

Calls German Step Correct.
REINHOLD, Dec. 12.—(Special.)—Dec. 12, 3:30 a. m.—Commenting on Chancellor von Bethmann-Hollweg's speech in the Reichstag, Dr. Theodor Wolff, editor of the Tagesschau, says:

"We greet the step of the Teutonic allied governments and shall believe it a brave and desirable one, though it should develop that the governments of the enemy states are not yet ready to dam the stream of blood which has flowed through Europe for two and a half years."

"The German people, if their opponents' answer is active, will see clearly that it is their duty to bear their heavy burden, or even heavier burdens, as long as there is no possibility of agreeing upon an acceptable and sensible peace."

Dr. Wolff declares it will be impossible to reach a final verdict regarding the step of the Teutonic governments until their proposals for peace conditions are known.

Dr. Post treats the peace overtures in an exceedingly pessimistic manner, declaring that there will be anything except willingness in England to recognize Germany's requirements.

CANADA OPPOSES TERMS.
TORONTO, Dec. 12.—(Special.)—Toronto's morning press is unanimous in upholding Germany's peace proposals, says the Mail and Empire tomorrow will say editorially:

"The hands leader who finds the peace closing in on him may very well be disposed to discard articles of ostentatious might as far as to propose that some of his plunders be returned to the owners on condition that there be an end of hostilities on both sides."

"But his pursuers, no matter how great the resistance he is still capable of making, will remember his crimes are more firmly rooted to break up his gang and bring him to justice. Germany is not simply to be beaten. She is to be punished."

The Globe says: "The allies cannot shatter the sword until their ends are accomplished. They will not be defeated from their high position."

maned.
In a general way these new kingdoms of Poland and Lithuania will comprise that portion of West Russia now held by force of arms, extending from the southern boundary of East Prussia, the Bal-

canian coast, to the Baltic sea.

4.—Macedonian front, Adriatic sea to the Aegean sea.

ASKS POPE'S AID

Germany Counts on Pontiff to Join with Neutral Powers for European Peace.

BERLIN, Dec. 12.—The peace note presented by Dr. von Mullberg, German minister to the Vatican, to Cardinal Gasparri, papal secretary of state, follows:

"According to instructions received, I have the honor to send to your eminence a copy of the declaration which the imperial government today, by the good offices of the powers entrusted with the protection of German interests in the countries with which the German empire is in a state of war, transmits to these states, and in which the imperial government declares itself ready to enter into peace negotiations."

"The reasons which prompted Germany and her allies to take this step are manifest."

"For two years and a half a terrible war has been devastating the continent. Unlimited treasures of civilization have been destroyed. Extensive areas have been soaked with blood."

"Millions of brave soldiers have fallen in battle and millions have returned home as invalids. Grief and sorrow fill almost every house."

"Not only upon the belligerent nations but also upon neutrals the destructive consequences of the gigantic struggle weigh heavily. Trade and commerce, carefully built up in years of peace, have been depressed. The best forces of the nations have been withdrawn from the production of useful objects."

"Europe, which formerly was devoted to the propagation of religion and civilization, which was trying to find solutions for social problems and was the home of science and art and all peaceful labor, now resembles an immense war camp in which the achievements and works of many decades are doomed to annihilation."

"Germany is carrying on a war of defense against her enemies, which aim at her destruction. She fights to assure the integrity of her frontiers and the liberty of the German nation, for the right which she claims to develop freely her intellectual and economic energies in peaceful competition and on an equal footing with other nations."

"All the efforts of their enemies are unable to shatter the heroic armies of the Teutonic allies, which protect the frontiers of their countries, strengthened by the certainty that the enemy shall never pierce the iron wall."

and Livonia.
The dismemberment of the conquered Balkan states would be done at best serves the interests of Austria-Hungary, Bulgaria, and Turkey, with Greece sitting near

3.—Eastern and Roumanian battle fronts, from Baltic sea to Black sea.

4.—Macedonian front, Adriatic sea to the Aegean sea.

ENTENTE WILL SPURN PEACE OFFER, FRENCH EDITOR SAYS

Stephane LAUZANNE Asserts Allies Will Crush Germany, But Must Reply to Kaiser's Proposal.

New York, Dec. 12.—(Special.)—Germany's latest proposal for peace will not receive a moment's serious consideration by any one of the entente allies, this was the comment made by Stephane Lauzanne, editor in chief of the Paris Matin, here tonight.

The allies would reply to the German peace offer with silence if they could," Mr. Lauzanne continued. "But out of courtesy to the neutral powers the allied governments will have to answer."

"The German people want peace now, and want it badly. The peace offer ought to be encouraging to the allies. It is the fourth time Chancellor von Bethmann-Hollweg has talked peace before the Reichstag."

"We are fighting for two issues. First, we now have a Europe dominated by German brutality and bestiality, and we must crush out these qualities. Second, this war was declared, desired, and prepared for by Germany, and we must punish Germany."

"The allies will break through the western front next spring."

KAISER ORDERS GENERALS TO CONTINUE FIGHTING.

German Emperor Tells Commanders of Peace Offer, But Urges No Let-up Until Terms Are Made.

LONDON, Dec. 12.—A Central News dispatch from Amsterdam says it is announced officially in Berlin that Emperor William has notified his commanding generals of Germany's peace offer and has informed them it is still uncertain whether the offer will be accepted. Until that moment arrives you will fight on."

Emperor William's order to his commanding generals was addressed also to "My navy, which in the common fight has loyalty and effectively staked all its strength."

The Austro-Hungarian, Turkish, and Bulgarian governments also have sent him similar notes.

"Since the first day of the pontifical reign his holiness the pope has unwaveringly demonstrated, in the most generous fashion, his solicitude for the innumerable victims of this war. He has alleviated the sufferings and ameliorated the fate of thousands of men injured by this catastrophe. Inspired by the exalted ideas of his ministry, his holiness has seized every opportunity in the interest of humanity to end so anguinary a war."

"The imperial government is firmly confident that the initiative of the four powers will find friendly welcome on the part of his holiness and that the work of peace can count upon the precious support of the holy see."

\$50.00 REWARD

for information as to person holding or detaining the sinking of the German steamer, for the right which she claims to develop freely her intellectual and economic energies in peaceful competition and on an equal footing with other nations.

CARL G. FISHER

R. R. A-1, Box 157 Indianapolis, Ind.

TELEPHONES, North 4004 Clifton 21 New.

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ENTENTE WILL SPURN PEACE OFFER, FRENCH EDITOR SAYS

Stephane LAUZANNE Asserts Allies Will Crush Germany, But Must Reply to Kaiser's Proposal.

New York, Dec. 12.—(Special.)—Germany's latest proposal for peace will not receive a moment's serious consideration by any one of the entente allies, this was the comment made by Stephane Lauzanne, editor in chief of the Paris Matin, here tonight.

The allies would reply to the German peace offer with silence if they could," Mr. Lauzanne continued. "But out of courtesy to the neutral powers the allied governments will have to answer."

"The German people want peace now, and want it badly. The peace offer ought to be encouraging to the allies. It is the fourth time Chancellor von Bethmann-Hollweg has talked peace before the Reichstag."

"We are fighting for two issues. First, we now have a Europe dominated by German brutality and bestiality, and we must crush out these qualities. Second, this war was declared, desired, and prepared for by Germany, and we must punish Germany."

"The allies will break through the western front next spring."

KAISER ORDERS GENERALS TO CONTINUE FIGHTING.

German Emperor Tells Commanders of Peace Offer, But Urges No Let-up Until Terms Are Made.

LONDON, Dec. 12.—A Central News dispatch from Amsterdam says it is announced officially in Berlin that Emperor William has notified his commanding generals of Germany's peace offer and has informed them it is still uncertain whether the offer will be accepted. Until that moment arrives you will fight on."

Emperor William's order to his commanding generals was addressed also to "My navy, which in the common fight has loyalty and effectively staked all its strength."

The Austro-Hungarian, Turkish, and Bulgarian governments also have sent him similar notes.

"Since the first day of the pontifical reign his holiness the pope has unwaveringly demonstrated, in the most generous fashion, his solicitude for the innumerable victims of this war. He has alleviated the sufferings and ameliorated the fate of thousands of men injured by this catastrophe. Inspired by the exalted ideas of his ministry, his holiness has seized every opportunity in the interest of humanity to end so anguinary a war."

"The imperial government is firmly confident that the initiative of the four powers will find friendly welcome on the part of his holiness and that the work of peace can count upon the precious support of the holy see."

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for information as to person holding or detaining the sinking of the German steamer, for the right which she claims to develop freely her intellectual and economic energies in peaceful competition and on an equal footing with other nations.

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availing, therefore, is the process.

COMMONS PUTS OFF DISCUSSION

New Policy to Wait Till Next Week When Asquith Can Answer Premier.

LONDON, Dec. 12.—The absence, through illness, of Premier Lloyd George and former Premier Asquith, the principal figures in the late ministerial crisis, and the decision of the cabinet to postpone until next week its statement of policy, robbed today's session of the house of commons of the interest which usually attaches to the first session.

When the house of commons assembled Mr. Bonar Law immediately moved adjournment until Thursday, when Premier Lloyd-George will move the vote of credit.

Reginald McKenna suggested that the premier make his statement next Tuesday, when Mr. Asquith could be present.

Mr. Bonar Law said he thought Mr. McKenna's suggestion a reasonable one, but added that the vote of credit must be passed this week.

He suggested, therefore, that the discussion of Thursday be confined to a statement regarding the war, and that the premier's general statement be reserved until next week, when Mr. Asquith will be present to reply.

GERMAN CLUB CHEERS PEACE

Mention of German proposals for peace brought applause at the annual meeting of the German club of Chicago last night at the Hotel Sherman. Henry O. Zander, president elect, announced that the club will hold a peace convention next year. Another outburst of applause was precipitated when Mr. Zander presented the club with a silk American flag won at the "Weltanschauung" and the club members sang "America" and "The Star Spangled Banner."

OCEAN STEAMSHIP MOVEMENTS.

Arrived.	Left.
CHINA	S. Francisco
MANILA	S. Francisco
GREAT NORTHERN	S. Francisco
NEWPORT	S. Francisco
LATVIAN	S. Francisco
STOCKHOLM	S. Francisco
REGINA D'ITALIA	S. Francisco
JOHN D. ARCHBOLD	S. Francisco
ROBERTSON CASTLE	S. Francisco
ROMA	S. Francisco

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25-grain Pearl at...	7,000.00
21-grain Pearl at...	4,000.00

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STATE & MONROE

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step was was brought to the knot the representatives of see in a special note active interest of the this offer of peace vited.

"Likewise the representatives of the neutral states in capitals were acquiring this proceeding for the of informing their

"Austria and her this step have given decisive proof of the peace. It now is for mies to make known t before the world. the result of its proj he, no responsibility c the quadruple allia before the judgment o over peoples, if it is obliged to continue th

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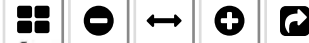
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PEACE CHANCES VARIOUSLY SEEN BY CONGRESSMEN

Gratified at Germany's Proposal—Question Right of U. S. to Interfere.

GERMANY'S WAR CHANCELLOR

Von Bethmann-Hollweg, Who Announced in Reichstag That Central Powers Were Ready to Consider Peace Negotiations with the Entente Allies.

PEACE PROPOSAL CAUSES FRIGHT IN WALL STREET

Whole Stock List Takes Tumble, with "War Brides" Showing Heaviest Losses.

FORTUNES LOST

La Salle Street Frantic as Stocks Slump; Crowds Jam Brokers' Offices and Watch Millions Melt.

WHEAT TUMBLES UNDER WEIGHT OF PANICKY LONGS

First Reports Are Scorned, but Traders Soon Become Nervous.

NOTED AMERICANS DISCUSS PEACE

New York, Dec. 12.—(Special.)—Lowering are comments by leading clergies on Germany's peace proposal. Frank A. Vanderlip—I have been to form no picture of these who that would enable me to discuss intelligently. I do sincerely hope peace is at hand, and that it will be an inconclusive peace.

BY A STAFF CORRESPONDENT.
Washington, D. C., Dec. 12.—(Special.)—Members of congress and senators generally were gratified today when they heard that Germany had made formal overtures to the allies looking toward peace. Many of them said the United States should use its influence via the allies to bring about a discussion of the German offer.

BY A STAFF CORRESPONDENT.
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Recessions varied all the way from a fraction, in the case of certain railroad

La Salle street was almost as excited as State street with its Christmas shopping. The trading was so fast that the stock ticker, the little machine which

It was a big day in the stock market, and the most destructive of values since the sinking of the Lusitania.

Every stock on the list had a decline, and it is probable fortunes were lost.

The worst hit in volume of trading was United States Steel common. It did not drop as many points as some other shares, but the size of the business made the losses extraordinary. This particular stock, at \$123 a share, lost a point or two in the first hour, and after that began gradually to fall away, carrying all other issues with it.

About the time some of the nervousness was subsiding the price began to break from 120, and hardly stopped until it had reached 110. The last quotation was 110. In the last two days Steel common had declined 74 points, representing a decrease in the value of the capital of \$7,276,000.

Beats the Ticker.

La Salle street with its Christmas shopping. The trading was so fast that the stock ticker, the little machine which

Visions of bloated profits on big lines of long wheat, bought in anticipation of a tremendous rise based on the necessities of warring Europe, faded before the eyes of grain traders yesterday when the announcement was made that Germany had made definite peace proposals.

First reports in regard to the announcement were regarded with skepticism even by traders who have been

One of the leading steel men of United States—I personally believe many proposals mean peace. I do not think the slightest doubt that they result of overwhelming pressure within the empire, but the German people do not desire peace more than their enemies. We are all glad to see a slackening in the net that springs from the war. N. S. contracts have been placed

Henry Clegg, broker—I believe German proposal means eventual. The world is fairly tired of war.

